

welfare reform, which are not properly addressed by the Dole bill.

The Democratic plan addresses the problem of teenage pregnancy by including grants to States for design and implementation of teen pregnancy prevention programs. I will not go into more detail right now, but it is extremely important.

Paternity establishment is in our bill. We cannot let these men escape their responsibility, as they very often do. Child support enforcement is in our legislation.

Also, I want to talk a little bit about the provision in our legislation dealing with food assistance reform—food stamps—major provisions. We have one strengthening compliance, reducing fraud and abuse. It is an effort to clamp down on the egregious abuses of the program. The Work First Program provides the following:

The Secretary of Agriculture may establish specific authorization periods so that stores have to reapply to continue to accept food stamp coupons and may establish time periods during which stores have their authorization revoked or, having had their application for authorization denied, will be ineligible. Stores may be required to provide written verification of eligibility. The Secretary shall be required to issue regulations allowing the suspension of a store from participation in the program after the store is initially found to have committed violations.

Now they commit violations and, in effect, thumb their noses at the authorities because nobody can stop them from taking food stamps. Our bill changes this.

Stores that are disqualified from the WIC Program shall be disqualified from participation in the Food-Stamp program for the same period of time. Retail stores are disqualified permanently from the Food-Stamp Program for submitting false applications. There are other things that are important to strengthen this provision: enhancing electronic benefit transfer, strengthening requirements, and penalties. There are a number of things that really make this legislation more important.

I want to close by talking about a couple of things, in effect, to set the record straight. People who oppose this amendment charge that the Work First plan is weak on work. This claim comes from the same people who only a short time ago approved and reported a plan out of committee with no participation requirements.

So I say in response to that charge that their plan was not even about workers; it was about shoveling people from one program to another with no emphasis on work, with no emphasis, no work requirement at all, and now they have dropped their participation requirements and instead have adopted our work standards, the standards in this amendment pending before this body. So try to explain to me how the Democrat plan is weak on work when

the underlying Dole amendment picks up our plan.

There is also a charge that the Democratic substitute is weak on State innovation. The Democrat Work First plan provides States unprecedented flexibility. The States set benefit levels. States set allowable asset limits. States set income. Disregard policies. States design their own work programs. In fact, there is a lot of similarity here between the Democratic and Republican plans. So why do they charge Work First as being weak on State innovation? It simply is not true.

Another charge: The Democrat plan is weak on savings.

Mr. President, the Democratic Work First plan saves over \$20 billion. It is not weak on savings. The Breaux-Mikulski plan saves as much as the Republican plan, or as close. But it also does not include a \$23 billion unfunded mandate to the States; that the States are going to rue the day that this underlying legislation passes. They will rue the day. As the Conference of Mayors said, this will be the "mother of all unfunded mandates." The Democratic plan will result in deficit reduction without unfunded mandates to the States.

Let me close by saying, yes, we should change the present way welfare is handled. But we should not throw the baby out with the bathwater. We have to do a better job of being compassionate but also have a bit of wisdom in what we are doing with so-called welfare reform.

Mr. MOYNIHAN addressed the Chair.

The PRESIDING OFFICER (Mr. DEWINE). The Senator from New York.

Mr. MOYNIHAN. Mr. President, may I first thank the Senator from Nevada for a careful and a thoughtful and, to this Senator, a wholly persuasive argument.

VISIT TO THE SENATE BY SENATOR EDUARDO MATARAZZO SUPPLY OF BRAZIL

Mr. MOYNIHAN. Mr. President, by a happy circumstance, we have a visitor on the floor today, Senator Eduardo Suplicy of the Brazilian Senate, who is the author of legislation in that Senate which will establish a guaranteed national income in Brazil and is now in debate in that assembly. It is a matter that has been discussed on this floor today. So it is very serendipitous indeed.

RECESS

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that the Senate might stand in recess for 1 minute in order to welcome our colleague from Brazil, Senator Eduardo Suplicy.

[Applause]

There being no objection, the Senate, at 6:12 p.m., recessed until 6:15 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. DEWINE].

RECESS

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that the Senate stand in recess for a period of 20 minutes.

There being no objection, the Senate, at 6:15 p.m., recessed until 6:33 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. DEWINE].

Mr. SANTORUM addressed the Chair.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SANTORUM. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

FAMILY SELF-SUFFICIENCY ACT

The Senate continued with the consideration of the bill.

Mr. GRASSLEY. I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRASSLEY. Mr. President, a recent paper by the Progressive Policy Institute leveled three criticisms at the Republican welfare reform plan. It is to generate short-term budget savings, the first charge leveled; to satisfy GOP Governors' demands for flexibility; and, lastly, to avoid making tough decisions.

Now, obviously, that last statement is most ludicrous that the Progressive Policy Institute leveled against us because we have seen the Federal Government fail on welfare reform. You know, there was a massive effort made in 1988 at the Federal level to move people from welfare to work, to save the taxpayers money. We have seen 3.1 million more people on welfare now than before we passed our so-called welfare reform plan in 1988.

In the meantime, we have seen States like Missouri, my State of Iowa, the States of Wisconsin, Michigan, Massachusetts, New Jersey—and I suppose there are a lot of others that ought to be named—reform welfare in a very ambitious way and in an ambitious way that we have not had the guts or the will to do here in Washington, DC, at the congressional level. And we have seen through State action people move from welfare to work and saving the taxpayers money. In my own State of Iowa we have 2,000 less people on welfare than 3 years ago when we passed the welfare reform plan. We have seen our monthly checks go from an average of \$360 down to \$340. And we have seen the highest percentage of any State in the Nation of people who are on welfare moving to work, at 35 percent.

So can you believe it, Mr. President, that the Progressive Policy Institute would level a charge that we are trying to avoid making tough decisions when we have failed at tough decisions or we

have not made the tough decisions that should have been made and we have seen States make those tough decisions and be very successful in the process?

Also, that second criticism that is leveled, to satisfy the GOP Governors' demands for flexibility, well, the history of welfare reform proves that when we have given States waivers so that they can do certain welfare reform things that we could not do here, we have seen that flexibility move people from welfare to work and to save the taxpayers money.

So, obviously, it is ludicrous that we would have these sorts of charges leveled against us. But those three criticisms do reveal very key differences between Republican plans for welfare reform and Democratic plans for welfare reform.

One of the things that sets the Republican effort apart from the Democrats is our unwillingness to apologize for our desire to balance the budget by the year 2002. We want to balance the budget because it is the right thing to do. By not having a balanced budget, we are living our lives at the expense of our children and grandchildren. Every child born today already owes \$18,000 to the Federal Government, and will pay 80 percent of his or her lifetime income in taxes if we do not balance the budget and do it as soon as we said we were going to do it as well.

Of course, not balancing the budget and passing on the costs to our children and grandchildren—and if one of those were born this very minute, and there are some at this very minute being born, they have \$18,000 a year debt before they ever get out of the hospital.

It is immoral, it is irresponsible, and it cannot continue. Republicans acknowledge that and we were elected to do something about it, and so part of the process of balancing the budget is to make sure that there are no sacred cows, to make sure that every program in the budget, every geographical section of the country contributes toward balancing that budget.

So one of those programs that must be affected is the welfare program of the Federal Government, a program that we thought we reformed in 1988, a program that has produced 3.1 million more people on welfare, and that is after increases in welfare had leveled off dramatically during the 1980's.

Some people in this body would say that we have had the dramatic increase in welfare numbers, the 3.1 million I referred to, because we had a recession in 1991 and 1992. But not so, because if you go back to the recessions of 1975 and 1976, which were much deeper than the recession of 1991 and 1992, you will not find dramatic increases in welfare. In fact, you will find a decline in the number of people going on welfare.

But if you study very deeply the reason why we have 3.1 million more people on welfare than we did when we passed the 1988 Welfare Reform Act, it is directly attributable to some of the changes that were made there.

Welfare must be affected then. Welfare reform must come as part of an effort to balance the budget, even though welfare reform is a worthy goal in and of itself, even if we were not trying to balance the budget.

Why is it worthy in and of itself? Because we have had 40 or 50 years of Federal AFDC programs that have encouraged dependency, discouraged independence, ruined the family, besides costing the taxpayers a lot of dollars.

Are we saying that people who have problems that need help to get over a hump in their lives should be disregarded by Government? Not whatsoever. But we are saying that the program of helping people over a bump or a hump in their life, a period where maybe they were destitute and needed some short-term help, we are saying that should not become a way of life, and a program that provides that short-term help should not lead to greater Government dependency and lack of personal responsibility.

So, in the effort to balance the budget, as we acknowledge that, we do not see reducing the budget as the reason for welfare reform, but we see that as a result. If we change welfare from a trap to a trampoline, we will spend less on the program in the long run. If it is a system that springs people to independence and removes generational effects of the current program, it will cost less. That is a result, that is not a reason for welfare reform.

Another difference, after saying that a major difference between the Republican plan and the Democratic plan is that we believe in balancing the budget, but that is a result, that is not a reason for welfare reform, then another difference between our plan and that of our opposition is that we Republicans believe State leaders are more than capable of making good decisions on how to help the needy. We believe that Governors and State legislators and other State leaders, people closer to the grassroots, can create more innovative systems that actually work better to meet the needs of those who need some short-term help over a hump, over a bump in their life. We do not believe that States should have to come, hat in hand on bended knee, to some Federal bureaucrat for permission to try some new idea. That is a very key difference between Republicans and Democrats.

Thank God there have been some waivers given, and maybe that is one good aspect of the 1988 legislation, it did give States some leeway. But can you believe it? My State of Iowa adopted a program, and it was 8 months before the Federal bureaucrats got done playing around with it so we got the approval to move ahead with a program that has 2,000 less people on welfare, reduced the monthly checks from \$360 to \$340 and has raised from 18 percent to 35 percent the percentage of people on welfare moving to jobs.

Republicans think that States should have the flexibility to create systems that work for each State's population.

We do not believe, as Republicans, that you can pour one mold in Washington, DC and out of that mold have a program that attempts with success and with good use of the taxpayers' dollars to handle the welfare problems of New York City the same way that we would in Waterloo, IA or, in the case of the Presiding Officer, Cleveland, OH.

We think that leaders at the local and State level are going to get us more for our taxpayers' dollars, spend less of those dollars and probably move more people to work and have less dependency than what we will if we try to solve this with one uniform program that treats the welfare problems in New York City exactly the same way they are treated in Waterloo, IA.

We Republicans acknowledge that the old one-size-fits-all approach of Washington, DC has been a disaster. It has not worked. It will not work, and Republicans are simply living with reality to want to change it, change it based upon the successes of States who have had more guts to experiment, to try dynamic new approaches to moving people from welfare to work than what we were willing to do at the Federal level.

There is one more thing that I want to point out of this particular criticism, Mr. President. I believe Democrats are failing to realize that the American people have elected 30 Republican Governors. They, obviously, are saying that the Democrats have had their chance at working out these problems and nothing happened. Now Republicans are being given the opportunity, and we are taking it and we are making the most of it.

The President ran on a platform promising to end welfare as we know it. Well, he failed. With a Democratic President in 1993, 1994, with a Democratic President for the first time in 12 years, a President who, in his opening speech to the Congress, reiterated what he said in the 1992 election, that we are going to end welfare as we know it, we never had a proposal. So that administration has failed. That Congress has failed. The people chose the Republicans for a new Congress, and so we are giving the people what we said we would in the last election and what they said they wanted.

Finally, Republicans are making tough decisions. We are admitting that we at the Federal level do not have a lock on ingenuity, or a lock on wisdom, and obviously we do not have a lock on compassion. We are acknowledging that there is creativity, that there is wisdom, and there is concern at the State level. We are humbly accepting that maybe we at the Federal level do not have all of the answers. There is an old saying, Mr. President, which is that insanity is doing the same old things and expecting different results.

Well, that is what the Democrats are doing, I believe, with their welfare reform program. Republicans recognize that by giving up some of our power to the States and the people, we will have

better results both in terms of meeting the needs of low-income families and in terms of our efforts in balancing the budget. The criticisms of the Progressive Policy Institute are, of course, out there in the public with the intention of shaping us into changing our perspective. On the contrary, I think they simply let us know, as the majority party in this new Congress, that we are headed in the right direction by getting the Federal Government basically out of the welfare business, turning it over to the States, for the track record of the States in recent years has been a tremendous success compared to the failure of the last reform out of this Congress which, instead of producing savings, is costing much more. Instead of moving people from welfare to work, we have 3.1 million more people on welfare, a greater dependency on the Government, less personal responsibility, and obviously a great cost to the taxpayers.

That is why I hope this body will ratify the work of the Finance Committee on the welfare reform proposal that came out of that committee. It came out of the committee with some bipartisan support—all of the Republicans and a few of the Democrats—because I think that there is going to be a bipartisan effort on final passage, if we can get there. I believe, quite frankly, that whatever passes this body is going to be signed by the President. I do not think, even if he does not get the welfare reform that he wants—with the public cry for welfare reform and for moving people from welfare to work and saving the taxpayers dollars, and an understanding of that at the grassroots—that this President would dare veto anything that we send.

I yield the floor, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DASCHLE. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Ms. SNOWE). Without objection, it is so ordered.

Mr. DASCHLE. Madam President, I know that the day has almost ended. Prior to the time that it does, I want to have just a few minutes to address one more time the Work First legislation, the pending piece of legislation, and my reasons for believing it ought to be adopted by our colleagues tomorrow.

Before I describe again those reasons and our goals in drafting the legislation, let me reiterate my gratitude to the many Senators who have had much to do with the tremendous effort put forth by our caucus in proposing this legislation. Thirty Members of the Senate have cosponsored this bill, and that, in large measure, is due to the leadership of Senator MIKULSKI, Senator BREAUX, and the remarkable efforts of a number of our colleagues who

have had special interests in various pieces of the bill, and were instrumental in bringing us to the point of introducing the bill prior to the August recess.

Let me also express my gratitude to the ranking member of the Finance Committee, Senator MOYNIHAN, for his unparalleled leadership in this area, for all of the work he has done on this issue, for the many years he has provided us guidance, and for the terrific legislative accomplishments we have been addressing as we have debated this bill.

The Family Support Act is really the foundation of our welfare reform system. And, as many have indicated throughout the day, were it not for that, we would not have made the progress that has already been well documented already in this debate.

Madam President, there are four fundamental goals, as I see it, as we look to what we hope to achieve by the enactment of this legislation.

First, we want real welfare reform. Second, we want to recognize that providing people with skills, providing people with new opportunities, and providing people with the wherewithal to get off welfare is really the primary objective of what we are doing. Work is a goal that I hope would unite all Senators, Republican and Democrat, as we attempt to accomplish our goals in this area.

Third, and perhaps equally as important in many respects, we want to protect children. Of the 14 million AFDC recipients in the 5 million families who receive assistance through AFDC, 9 million are young children dependent upon the services and the resources that we provide through the infrastructure that exists today. Protecting children, ensuring that they have the opportunities to become productive adults, and ensuring that they can acquire the skills necessary to break the cycle of dependency if their parents cannot—protecting children ought to be a goal for everybody here, and certainly that is the goal of the Work First plan.

Finally, we recognize that you simply cannot have meaningful welfare reform if you do not provide the funding. It is one thing to set goals. It is one thing to lay out a new infrastructure. It is one thing to assert objectives and to expect the States in some way to respond to all of those objectives and requirements within any new piece of legislation; but if they are not funded properly, we cannot expect any of those goals to be realized. Regardless of how elaborate and how pleased we may be with whatever infrastructure we create, we cannot expect those goals to be meaningfully realized without adequate funding.

We want to ensure that, whatever it is we do, we understand up front how we are going to pay for it. Those are the goals.

We want real reform. We want to emphasize work. We want to protect chil-

dren. We want to ensure that, as we do those three things, we provide the necessary resources to do so.

Madam President, I want to talk briefly tonight about each of those four goals and what it is we believe is so important and essential as we consider the strategies to achieve those goals. There are four specific strategies we have laid out in the Work First plan that we hope will convince any skeptic we are serious in our strong desire to build upon the things that have worked well, and to replace those things that have not worked as well as we would have hoped.

Part of this effort involves changing the culture of welfare. We need to have people in those welfare offices who are there to provide more than just financial resources, who can be there to provide the kind of opportunities that people want as they walk into a welfare office—people with an expectation that they want more than just money, with an expectation that they want to acquire skills, with an expectation that they want to break the cycle of dependency, with an expectation that they truly can change their lives.

To do that we have to make welfare offices employment offices, recognizing that it is through employment and through opportunities to use acquired skills that people can acquire a dignity and a confidence about their lives that they do not have today. If we are going to do that, indeed, we have to retrain staff and refocus the whole concept of what the welfare office is about. We need to refocus this concept on work, on providing the training and opportunities necessary to make these services meaningful for the people who walk through those doors.

We want to encourage States to consolidate and streamline the welfare infrastructure to ensure that, through a one-stop mechanism, we can do all that is possible with a visit to that particular office so that we do not require people to go from one office to the next to the next to the next in search of help.

We also need to restore some common sense to this process. Common sense would say that yes, a father ought to be part of this process. Yes, we want to welcome the man back into the family. Yes, we recognize that two parents are better than one. Yes, we recognize the current system, in some respects, is penalizing families for staying together. We want to restore common sense to the system.

We want to do all of this, not by boxing up the current system and shipping it to the States, not by simply saying to the States, "You do it with fewer resources, with less real ability for Federal-State partnership. You do it." That is not the solution. That simply is shifting the problem to somebody else.

We really hope we can avoid doing that with whatever course we choose to take during this debate. However we finally achieve our goal of changing the welfare culture, it is certainly our hope

that we simply do not expect the States to do it by themselves.

To accomplish real reform, we have to start by changing the culture of welfare. We also want to redefine it—not just change the culture, we want to redefine it. We want to give it a new meaning, a new understanding, a new definition from that which has existed in the past.

That is why we eliminate the program commonly referred as AFDC. We replace it with what we call temporary employment assistance. That is more than just a name change. Temporary employment assistance is a conditional entitlement. It says to welfare recipients that there is no more unconditional assistance. We will provide assistance subject to your willingness to take responsibility. If you are willing to take responsibility, we are willing to provide you with the tools to enable you to achieve change in your life, to achieve new opportunities for yourself and for your family.

All recipients would be required to sign a parent empowerment contract, which puts into writing this reciprocity in a way that everyone understands, so there is no misinterpretation. It is in black and white. "Yes, I will go find work. Yes, I will acquire the skills. Yes, you will help me do so. You will provide me with opportunities that I do not have today." It is all going to be written out so there is no misunderstanding.

We require all able-bodied recipients to do as much as possible to achieve their goals in work. Even those who are not able-bodied would be required to take some responsibilities, even if they are not working. But there would be an appreciation of the need to take responsibility.

So we do redefine the system. We try to break it out from past practice and clearly define what it is we are trying to do.

Part of what we are trying to do is limit the length of assistance. We say that 5 years ought to be enough. Five years is applicable in just about all cases, but there are some very clear cases where that is inappropriate or not prudent.

Certainly, children who live with someone other than their parent ought to be exempt. Certainly, those who are disabled, or caring for the disabled, need to be exempt. We both agree that mothers with children under the age of 1 ought to be exempt. Women in the third trimester of pregnancy, I believe of all people, ought to be exempt. Those living in high unemployment areas, that is above 8 percent—and there was a good colloquy this afternoon about what that means—should not be thrown into the street. You cannot expect someone to go out there and find a job when there are simply no jobs available.

So we base all of those exemptions, Madam President, on set criteria, and that really is a fundamental difference between our bill and the bill introduced

by our Republican colleagues. What the Republicans do is simply exempt a flat 15 percent. It does not matter if any of these categories would take the population in any given area beyond 15 percent. If you are a woman in the third trimester of pregnancy and we have hit the 15 percent threshold, you are out of luck. If you are a child living with someone other than your parent and you need help and you are in an area where 15 percent has already been realized, you are out of luck. I really do not believe my colleagues on the other side want to do that, but that is what the bill says.

So, Madam President, we understand the need to set a lifetime limit in most cases. But we also recognize the necessity of addressing the real needs and concerns and problems of individuals, the practical problems associated with real lives of people who do not fit any neat little box, any neat little description.

We also recognize that you cannot dictate all this from Washington. It does not work. And, as we have seen already with the Family Support Act, providing opportunities for States to become workshops, become prototypes, become environments within which new ideas can be explored, can be very valuable.

Giving States flexibility is absolutely essential, so we allow States to set benefit levels and eligibility and asset rules and income-disregard policies. We recognize we are not going to require a one size fits all, that South Dakota is different from New York and Maine. So we want, as much as possible, to give States latitude, to give States flexibility, to give States the opportunity to experiment. And the Work First plan ensures that States are given that flexibility.

So, Madam President, that is our first goal, to engineer real reform by creating a new infrastructure that allows us to provide assistance in a way that we have not done before. So we began with that.

Then, as I said, our second goal is to give as many people as possible the opportunity to work. We prescribe five strategies to do that by attempting, in part, to reflect the values that many of us had the good fortune to learn early on. We call it Work First because that is really what we want to do. That is what we were all, hopefully, brought up to think—that in order to live our lives fully as American citizens, in order to achieve all that we want to do, we have to take responsibility, and part of taking responsibility means acquiring skills to work in whatever endeavor we may choose. That is part of what it is to become a productive citizen in this country. Whatever luxuries we may enjoy, whatever opportunities we may have, whatever benefits we hope to acquire, in part is dependent upon our ability and our desire to work. Those are not just South Dakota values, as ingrained as they are in most people in

my State, but they are values that we find in every State of this country.

So we require recipients to work. The goal is not simply to create jobs that do not exist today. What we want, as much as we can achieve it, is to ensure that we create those opportunities in nonsubsidized, private sector employment. We want people to be employed for the right reasons—not simply to occupy their day, not simply to pay off a Government debt, but truly to become involved in an activity, in a job function for which there is a reward other than the money they receive. So finding private sector employment is our first objective.

So we require an intensive job search for the first 2 months. If no job has been achieved at the end of 6 months, we go to the second option: we require community service. We work with them to develop the kind of job skills and the discipline through community service that may ultimately give them the chance to apply those skills in private sector opportunities later on.

There is a difference, as others have alluded to today, between our bill and the Republican bill in that regard. Our bill requires that this effort take place in 6 months. The Republican plan has no work requirement for 24 months.

But again, Madam President, as I said just a moment ago with regard to our goal of real reform, when it comes to work we also recognize the need to give States flexibility—the flexibility of putting people to work through placement services or vouchers, by creating micro-enterprise or self-employment concepts, by using work supplementation, by implementing a program like the GAIN program in Riverside, CA, the JOBS-Plus Program in Oregon, the Family Investment Program which has worked so well in Iowa—all of those options and many more would be available to any State that would so choose. We do not want to limit them. In fact, we want to expand the short list that I have already provided, giving States the flexibility to put people to work in whatever way they find to be the most appropriate.

I could imagine in South Dakota there would be a lot of rural-related work, a lot of agriculture-related work, perhaps in some cases work having to do with forestry or tourism. But clearly every State would have definitions, different expectations, and certainly different strategies.

We give States bonuses for putting people to work, bonuses for exceeding the work threshold, and bonuses based on job retention, not just placement. It is not enough just to acquire a job. We want to ensure that those people have the opportunity to stay in that job, to go beyond just the first month or 2 months or 3 months. We want to give people careers—not just jobs—careers that give them satisfaction and reward beyond just a check.

Finally, and perhaps this is the most important—certainly our caucus feels that it is the most important—if we

are going to create incentives for work, we have to abolish the disincentives that exist today. And there are two profound disincentives. The one that troubles me the most is to tell a young woman, we want you to work, but you have to leave your children somewhere to do so. We are not going to help you pay for it. We are not going to really make much of an effort to help you find adequate child care. We want you to work, and you have to take care of your children regardless of cost. We do not care if you only net \$1 an hour. We want you to work. We cannot accept that.

If we want real reform, then we owe it to those families to do our level best to help them find a way to take care of their children. I do not want to see 10 million children on the streets 10 years from now and everybody asking the question, as the distinguished ranking member said so eloquently in our caucus, "How did it happen?" I do not want to see more broken homes. I do not think any one of us ought to ask the question, How is it so many people today do not have the appropriate upbringing, and we are filling our prisons with people who do not know better, when there is no one at home to teach them right from wrong?

It is no mystery to me why crime is going up, when two people in the same household have to work night and day to make ends meet, and oftentimes, because they cannot afford child care, rationalize that maybe it is OK to leave their children at home unattended day after day, night after night. That is unacceptable.

Today 60 percent of AFDC families are mothers with children under six—over half. And we are going to ask them to go out and get a job and somehow miraculously have an angel appear somewhere to take care of their kids while they do so. We cannot do that.

Child care is critical. It enables people to work. It is an investment in our kids. But the Republican plan has no money for children. There is none in there right now. So I do not know how they expect to cope with that problem, if, indeed, they want to solve the work problem.

As I said, it is great to lay out all these goals, and it is great to set up a new infrastructure that looks wonderful on a chart. But how great is it when you get down to the real issue, when you are going to tell someone they better find a job in a 6-month period of time, but there is no money for your children.

Health and Human Services said that we need an additional \$10.7 billion to do it right over a 7-year period of time—\$10.7 billion if we are going to do it.

The second issue is health care. I do not blame anybody for not taking a job at a minimum wage in a McDonald's restaurant if all they get is \$4.35 an hour and lose the health care their children have access to through Medicaid today. I do not blame them for doing that. I must tell you that if I

were in that situation, I would do exactly the same thing. How can we say, "We do not care if your kids get sick; you go out and flip hamburgers, and somehow your kid will get well without health insurance."

Madam President, we are better than that. Those kids deserve better than that. And providing them with transitional Medicaid coverage is just common sense.

So that is how we handle work. Five strategies, five very specific ideas on how we get people out the door, confident that their children are cared for, confident that they have some real opportunities to change their lives.

The third goal is protecting children, and so much of work and protecting children is interrelated. But ensuring that child care and health care and maintaining the safety net we have created for children is essential. If you are going to protect children, child care is a higher goal than simply the money we save, as important as that is, and I do not want to minimize it.

Health and Human Services estimates the Republican plan has a shortfall of over \$16 billion in protecting children, \$10 billion in child care costs alone. That is the shortfall.

Now, maybe somebody someday can give us a projection on what that savings will ultimately generate in additional costs. How much more will we pay later on for what we have saved today?

Madam President, we have to protect children, so we put an exemption to the time limit for children in our plan. There ought not be any time limit for children. We want to give them all the time they need to grow into productive citizens. We want to provide them with every opportunity for rent, for clothing, for whatever other needs they have because it is not their fault they are in the position of needing assistance. It is not their fault that their parents do not have a job. It is not their fault that they were born into families that may or may not have any real chance of success. But I can tell you this: If we do not care for them, their chance of success is gone.

We recognize as well that teenage pregnancy is something we have to address, so we ask that teen mothers be required to live at home or in some supervised group home. We require that teen parents stay in school so they have the skills they need to succeed in life.

I have had the opportunity on occasion to talk to teen mothers who had no home and who were out there all by themselves, despondent, desperate, rejected. The chance for them is even less than all those who may have had some other opportunity.

This is one area in which there ought not be a lot of State flexibility, in my opinion. I think it is critical that we address the teenage pregnancy problem, given our limited understanding of what is occurring there. No one has all the answers. But we recognize that

we have to provide a safety net to the extent that it can be provided. We also recognize that we have a right to expect some responsibility. And it is that balance between a safety net and responsibility that always, in my view, has to be considered as we make our decisions with regard to policy options.

We also have tough child support enforcement provisions. We base our provisions on those proposed by the distinguished Senator from Maine, the Presiding Officer, to improve interstate and intrastate collection.

We require that noncustodian parents take responsibility, pay up, enter into a repayment plan or choose between community service and jail. I am told that the default rate on used cars is 3 percent. The default rate on child support is 50 percent in this country.

We can do better than that, Madam President. And it is going to take tougher enforcement requirements, a realization that we can do a lot more than we have done so far in bringing people to the responsibility that it is going to take to make families families again, to give children the chance to be protected. That ought not just be a Federal or State responsibility; it must be a family and a parental responsibility. And the provisions of the Work First Act allow that to occur.

Finally, as I said, Madam President, our fourth goal is to ensure that we do not have the unfunded mandates, that we all lament here from time to time. And I am deeply concerned—of all the concerns I have, other than child care and the protection for children in the Republican bill, the greatest second concern most of us have with the bill as it is now written is this requirement for States to do so many new things, but the absolute absence of resources to do so.

We are not going to address the root causes of our problems if we simply rhetorically address them in new legislation without providing the resources. And there has to be an understanding of partnership. The Federal Government and the States can work together, local governments can work with the Federal Government, but there has to be a sharing of resources and an acquisition of resources in the first place to make it happen.

The Republican bill increases requirements on the States dramatically, all kinds of new requirements that the States are going to be expected to do—a huge unfunded mandate. As I said, Health and Human Services says over the next 7 years that unfunded mandates will exceed \$16 billion. So States are going to be left with one of two options: ignore them or cut benefits and increase taxes to pay for them.

The costs are being shifted to the States and ultimately they will be shifted to localities and to the taxpayers, and in a mishmash of ways to acquire the resources that I think would be very unfortunate. We need to provide a guaranteed funding stream to

make this happen correctly. We do not want the Federal Government to be the biggest deadbeat dad of all. We do not want this bill to be the mother of all unfunded mandates. And yet I fear, Madam President, that is exactly what we are going to do unless we address the concerns that many of us have raised in this debate already. So that is really what we accomplish with this bill: No. 1, real reform; No. 2, an emphasis on work; No. 3, a desire and a mechanism to ensure that we protect children; and No. 4, the assurance that we are not going to create something that nobody wants, a huge new unfunded mandate.

Madam President, I sincerely hope that tomorrow when the vote is taken, this can be a bipartisan vote, that a number of Republicans who care as deeply as any of us do about all that we have addressed tonight will join with us in passing a bill we believe can accomplish all that we want in changing welfare reform and changing the culture of welfare, in creating jobs, in protecting children. We can do that. We can do it tomorrow afternoon. We can do it by voting for the Work First bill.

I yield the floor.

Mr. MOYNIHAN. Bravo.

Mr. GRASSLEY addressed the Chair.

The PRESIDING OFFICER. The Senator from Iowa.

MORNING BUSINESS

Mr. GRASSLEY. I ask unanimous consent that there now be a period for the transaction of morning business with Senators permitted to speak up to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

REPORT OF THE ACTIVITIES OF THE U.S. GOVERNMENT IN THE UNITED NATIONS DURING CALENDAR YEAR 1994—MESSAGE FROM THE PRESIDENT—PM 77

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Foreign Relations.

To the Congress of the United States:

I am pleased to transmit herewith a report of the activities of the United States Government in the United Nations and its affiliated agencies during the calendar year 1994. The report is required by the United Nations Participation Act (Public Law 264, 79th Congress; 22 U.S.C. 287b).

WILLIAM J. CLINTON.

THE WHITE HOUSE, September 6, 1995.

REPORT ON FEDERAL ADVISORY COMMITTEES FOR FISCAL YEAR 1994—MESSAGE FROM THE PRESIDENT—PM 78

The PRESIDING OFFICER laid before the Senate the following message

from the President of the United States, together with an accompanying report; which was referred to the Committee on Governmental Affairs.

To the Congress of the United States:

As provided by the Federal Advisory Committee Act, as amended (Public Law 92-463; 5 U.S.C. App. 2, 6(c)), I am submitting my second Annual Report on Federal Advisory Committees covering fiscal year 1994.

This report highlights continuing efforts by my Administration to reduce and manage Federal advisory committees. Since the issuance of Executive Order No. 12838, as one of my first acts as President, we have reduced the overall number of discretionary advisory committees by 335 to achieve a net total of 466 chartered groups by the end of fiscal year 1994. This reflects a net reduction of 42 percent over the 801 discretionary committees in existence at the beginning of my Administration—substantially exceeding the one-third target required by the Executive order.

In addition, agencies have taken steps to enhance their management and oversight of advisory committees to ensure these committees get down to the public's business, complete it, and then go out of business. I am also pleased to report that the total aggregate cost of supporting advisory committees, including the 429 specifically mandated by the Congress, has been reduced by \$10.5 million or by over 7 percent.

On October 5, 1994, my Administration instituted a permanent process for conducting an annual comprehensive review of all advisory committees through Office of Management and Budget (OMB) Circular A-135, "Management of Federal Advisory Committees." Under this planning process, agencies are required to review all advisory committees, terminate those no longer necessary, and plan for any future committee needs.

On July 21, 1994, my Administration forwarded for your consideration a proposal to eliminate 31 statutory advisory committees that were no longer necessary. The proposal, introduced by then Chairman Glenn of the Senate Committee on Governmental Affairs as S. 2463, outlined an additional \$2.4 million in annual savings possible through the termination of these statutory committees. I urge the Congress to pursue this legislation—adding to it if possible—and to also follow our example by instituting a review process for statutory advisory committees to ensure they are performing a necessary mission and have not outlived their usefulness.

My Administration also supports changes to the Federal Advisory Committee Act to facilitate communications between Federal, State, local, and tribal governments. These changes are needed to support this Administration's efforts to expand the role of these stakeholders in governmental policy deliberations. We believe these actions will help promote better com-

munications and consensus building in a less adversarial environment.

I am also directing the Administrator of General Services to undertake a review of possible actions to more thoroughly involve the Nation's citizens in the development of Federal decisions affecting their lives. This review should focus on the value of citizen involvement as an essential element of our efforts to reinvent Government, as a strategic resource that must be maximized, and as an integral part of our democratic heritage. This effort may result in a legislative proposal to promote citizen participation at all levels of government consistent with the great challenges confronting us.

We continue to stand ready to work with the Congress to assure the appropriate use of advisory committees and to achieve the purposes for which this law was enacted.

WILLIAM J. CLINTON.

THE WHITE HOUSE, September 6, 1995.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. COATS:

S. 1201. To provide for the awarding of grants for demonstration projects for kinship care programs, and for other purposes; to the Committee on Labor and Human Resources.

S. 1202. A bill to provide for a role models academy demonstration program; to the Committee on Labor and Human Resources.

S. 1203. A bill to provide for character development; to the Committee on Labor and Human Resources.

S. 1204. A bill to amend the United States Housing Act of 1937 to increase public housing opportunities for intact families; to the Committee on Banking, Housing, and Urban Affairs.

S. 1205. A bill to provide for the establishment of a mentor school program, and for other purposes; to the Committee on Labor and Human Resources.

S. 1206. A bill to amend the internal Revenue Code of 1986 to allow a refundable tax credit for adoption expenses and to exclude from gross income employee and military adoption assistance benefits and withdrawals from IRAs for certain adoption expenses, and to amend title 5, United States Code, to exclude from gross income employee and military adoption assistance benefits and withdrawals for IRAs for certain adoption expenses, and for other purposes; to the Committee on Finance.

S. 1207. A bill to amend part B of title IV of the Social Security Act to provide for a set-aside of funds for States that have enacted certain divorce laws, to amend the Legal Services Corporation Act to prohibit the use of funds made available under the Act to provide legal assistance in certain proceedings relating to divorces and legal separations, and for other purposes; to the Committee on Finance.

S. 1208. A bill to amend the Internal Revenue Code of 1986 to allow an additional earned income tax credit for married individuals and to prevent fraud and abuse involving the earned income tax credit, and for other purposes; to the Committee on Finance.